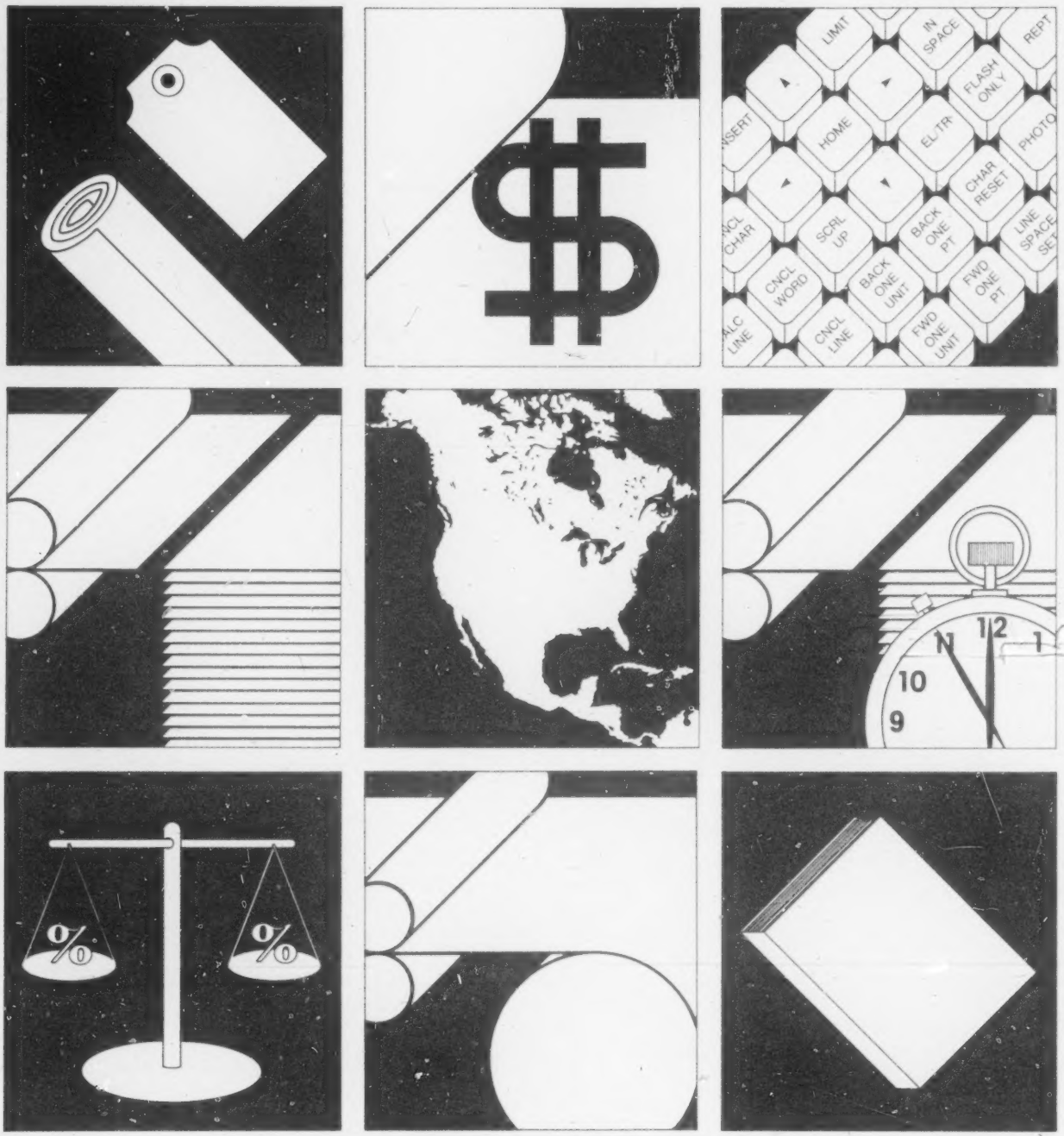
A2740-1.10U 9/85

Printing Industries of America, Inc.

1984 Financial Ratios



Volume X
Large Printers' Ratios

ABOUT PIA . . .

Printing Industries of America, Inc., is a federation of national, regional, state, and city associations composed of over 12,000 graphic arts firms. PIA and its affiliated associations comprise the largest trade association in the world dedicated to serving the interests of the graphic arts community. Membership in one of PIA's Affiliated Associations automatically entitles an organization PIA membership.

PIA's Financial Services offers the following products and services:

- PrintFinance: PIA in conjunction with Merrill Lynch brings you an innovative, comprehensive financial package called PrintFinance, available only from PIA Financial Services. PrintFinance is a unique competitively priced financial service package developed especially for the printing industry and allied graphic arts firms.
- The Annual PIA Financial Ratio Study - A Multinational Financial Survey
- Money Manager - A Monthly Financial newsletter with an exclusive print activity forecast: PrintOutlook
- Reprints of "Economics and Financial Management" articles from issues of PIA Management News
- Financial Management/Microcomputer Seminars

For further information, contact:

William A. Rose, II
Director, PIA Financial Services
1730 North Lynn Street
Arlington, Virginia 22209
703/841-4805

PIA's Education and Publication Group is active in financial management, offering numerous publications on the subject:

- Best & Worst Markets for Printers in the 1980s (a unique marketing and financial planning aid, available by subscription directly from PIA)
- Cost Accounting for the Job Order Printer
- Graphic Arts Estimating, Volume I
- Money Making Guide to Printing Estimating, revised edition
- Running in the Black: Six Steps to Managing Printing Profitability
- Sales Compensation in the Printing Industry - 1983
- Simplified Cost System
- Tax Planning for Your Graphic Arts Business
- Understanding Value Added
- Value Added Financial Management: A Guide for Printers
- 1981-82 Production Management Compensation Survey
- 1983 Survey of Sales Management: Practices and Compensation
- 1984 Executive Compensation Report

These books are available through PIA Affiliated Associations' Graphic Arts Bookstores. For further information, contact:

Printing Industries of America, Inc.
Margaret A. Hogue, Director of Editorial Services
1730 North Lynn Street
Arlington, Virginia 22209
(703) 841-8144

61ST annual ratio study compiled from the operating statements and balance sheets submitted by representative members of the printing industry, and computed by RGS Enterprises, Inc., 1 Carlisle Drive, Arnold, Maryland 21012.

1984 FINANCIAL RATIOS

LARGE PRINTING FIRMS

© 1984 by Printing Industries of America, Inc.

This material must not be reproduced in whole or in part in any form whatsoever without the express permission of

PRINTING INDUSTRIES OF AMERICA, INC.

Management Services Department
1730 North Lynn Street
Arlington, Virginia 22209

Edited and Prepared by H. R. Margolis Company,
Certified Public Accountants
New York and Philadelphia (Bala Cynwyd)

Printed in U.S.A.

PRINTING INDUSTRIES OF AMERICA, INC.

1730 North Lynn Street, Arlington, VA 22209 (703) 841-4805

Dear Colleague:

1984 is the 61st year in which Printing Industries of America, Inc. has collected and published detailed financial ratio information for members of the graphic arts community. The data presented each year provide a detailed and comprehensive picture of the financial status of the major segments of the U.S. and Canadian graphic arts industries. In addition, it allows individual firms to compare their annual performance with that of many other similar firms, including those which earn well above-average profits. Ratio results are published annually. They are summarized as follows:

- Management Guide to the PIA Ratios
- All Printers by Sales Volume
- All Printers by Product Specialty
- All Printers by Geographic Area
- Sheetfed Printers by Size and Geographic Area
- Web Offset Printers — Heatset
- Web Offset Printers — Non-Heatset
- Combination Offset — Sheetfed/Web
- Book Manufacturers' Ratios
- Large Printers' Ratios
- Typographers' Ratios
- Preparatory Specialists' Ratios
- Binders' Ratios
- Quick Printers

For a more complete composite picture of your company's performance relative to the U.S. and Canadian printing industry, several books could be used in your analysis, such as one of the overview volumes, e.g., *All Printers by Sales Volume*, and one that addresses your particular business segment or production process, e.g., *Book Manufacturers or Web Offset — Heatset*, respectively. Alternatively, such analysis is facilitated by participating in the Ratio Study each year and ordering an individual company computer printout which compares a participant's ratios to those of companies which are similar in size and sales volume, produce the same products, and use the same manufacturing process.

Please refer your questions on the PIA Ratio Study to your nearest local PIA affiliated association or to me at the address above.

William A. Rose, II
Director, PIA Financial Services

Dear Member of the Graphic Arts Community:

In the accompanying pages are the 1984 PIA FINANCIAL RATIOS FOR LARGE PRINTERS. This Ratio Study was developed on the basis of questionnaires volunteered by 140 firms and presents the ratios and statistics of Large Printers (annual sales volume of $10,000,000 or more) by sales volume and product.

Thus the user of the report can direct himself to the standards for his sales volume — for example, sales from $10 to $20 million, $20 to $40 million, etc.; and product specialty — for example, Commercial and Advertising, Magazine and Periodical, etc. Readers can compare the data from their own firm's financial statements with similar data from other firms in five areas: Operations based on Value Added and its Supporting Schedules, Operations based on Sales and its Supporting Schedules, Balance Sheet Ratios, Significant Facts, and Return on Investment.

We strongly believe in the importance of sharing this type of information among members of the graphic arts community and are proud to have played a role in compiling these studies.

H.R. Margolis Company
Certified Public Accountants
Bala Cynwyd, Pennsylvania

TABLE OF CONTENTS

	Page Number
FOREWORD	2
VALUE ADDED - WHAT IT MEANS TO YOU	4- 5
CHAPTER 1 - BY SIZE OF FIRM	6-19
Report on Operations - Value Added = 100%	6- 7
Supporting Schedules - Value Added = 100%	8- 9
Report on Operations - Sales = 100%	10-11
Supporting Schedules - Sales = 100%	10-13
Balance Sheet	14-15
Significant Facts	16-17
Return on Investment - Per $100 of Sales	18-19
CHAPTER 2 - BY PRODUCT SPECIALTY	20-33
Report on Operations - Value Added = 100%	20-21
Supporting Schedules - Value Added = 100%	22-23
Report on Operations - Sales = 100%	24-25
Supporting Schedules - Sales = 100%	24-27
Balance Sheet	28-29
Significant Facts	30-31
Return on Investment - Per $100 of Sales	32-33
ABSOLUTE DATA	34-35

Printing Industries of America, Inc. recognizes that the industry's largest printing firms have some unique needs which are not generally being met in the industry. For this reason PIA has developed programs and services for the benefit of these companies. One of these services is this special ratio study undertaken exclusively for companies of this size. Another effort on the part of PIA to meet the needs of large firms is the Conference Board of Major Printers. Listed below is information regarding this PIA special section.

- CBMP is the only organization dedicated to the needs of the large printers.
- Membership is limited to Chief Executive Officers of selected printing companies.
- CBMP pursues specific projects of special interest to large printers, via special presentations at the Quarterly Meetings, and via monthly *UP-DATE SURVEYS* and *REPORTS* on current topics of interest.
- CBMP represents the interests of the major printers within PIA, by assuring that appropriate PIA programs are offered to its members.
- CBMP provides basic leadership to the printing industry as a whole.
- CBMP studies the impact of government regulations and legislation on the large printing organizations.
- CBMP studies the impact on large printers of suppliers of equipment and materials.
- CBMP strives toward better understanding of customer needs through its own special studies.
- CBMP is comprised of over 50 member companies who produce every type of printed product.
- CBMP is dedicated to provide guidance in the area of quality control, materials management, and other management disciplines for the large printer.

Laura M. Yoder, Associate Director
Conference-Board of Major Printers
(703) 841-4803

VALUE ADDED DEFINED

Value added is simply your sales less material costs, which include paper, other chargeable materials and outside services. Value added is, therefore, that component of a sale attributable to your own manufacture. It is calculated as follows:

Sales		$100.00
Less Materials:		
Paper	$ 23.03	
Other chargeable materials	5.38	
Outside services	8.03	36.44
Value Added		$ 63.56

Other chargeable materials include ink, film, plates, etc., but not general supplies, such as repair or maintenance parts. Outside services are purchases of job-related services -- composition, offset preparation, printing, bindery, etc.

KNOWN BY OTHER TERMS

Value added is also known by such other terms as inside sales, conversion value, inside manufacturing value and real contribution to overhead and profit. Whatever the term, the concept of value added is of prime importance to the profitability of your operations.

CONCEPTUAL UNDERSTANDING OF VALUE ADDED

Once you observe that value added is the residual of sales less material costs, you realize that this value provided by your own manufacture is all you have available to pay your remaining expenses. These are:

- Factory labor
- Other factory expenses
- Administrative expenses
- Selling expenses
- Interest

Then, what is left is a profit. This is different from the basic "cost sheet concept" that we are accustomed to in the printing industry.

Since, generally, within a relevant range of operations, these expenses behave as fixed costs, the "overhead" represented by these expenses will remain practically constant. Therefore, you want to maximize your value added.

Let us illustrate this with the following example, in which we are increasing the value added derived from $1,000,000 of sales from $635,600 to $675,000 to see the effect on operating income. We will assume that "overhead" (factory labor; other factory, administrative, selling and interest expenses) will remain the same.

The assumption that these expenses will not increase is being taken with some license; actually they would increase, but very little. We are taking this liberty to prove the point that, within this relevant range, these expenses behave in a fixed manner. This helps to understand the effect of value added on profit.

	Original	After Increase in Value Added
SALES	$1,000,000	
Material Costs	364,400	
VALUE ADDED	635,600	$675,000
"Overhead"	591,000	591,000
Operating Income	$ 44,600	$ 84,000

STATEMENT OF OPERATIONS -- VALUE ADDED: THE BETTER STATEMENT

By eliminating the distortion that material costs introduce into the conventional operating statement, value added gives you a truer picture of your operations.

For example, if we were comparing the statement of operations of a short-run, sheet-fed company with that of a web-offset firm, and our comparison was related to percentages based on sales, we could have significant differences in ratios. The reason: the significant differences in material costs. It would appear that the web-offset operation had a lower factory labor cost because a substantial amount of the sale was materials. But, in truth, the factory labor cost could be more or less than its counterpart sheet-fed operation as it relates to the value added produced by this labor.

Almost every company's product mix is different and, by using statements of operations based on value added, this product mix difference is eliminated. In conclusion, the Statement of Operations -- Value Added is a better statement with which to evaluate your operations.

REPORT ON OPERATIONS - VALUE ADDED = 100%

	ALL FIRMS REPORTING		SALES FROM $10 TO $20 MILLION	
	ALL FIRMS	PROFIT LEADERS*	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%	100.00%
FACTORY PAYROLL	45.74	42.31	45.13	42.68
FACTORY EXPENSES	20.29	19.14	19.55	17.69
TOTAL FACTORY COST OF PRODUCT	66.03	61.45	64.68	60.37
GROSS PROFIT	33.97	38.55	35.32	39.63
ADMINISTRATIVE AND SELLING EXPENSES				
Administrative expenses	10.39	9.29	11.39	10.20
Selling expenses	11.80	10.13	13.64	11.99
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	22.19	19.42	25.03	22.19
INCOME BEFORE INTEREST EXPENSE	11.78	19.13	10.29	17.44
Interest expense	2.67	1.82	3.05	1.63
OPERATING INCOME	9.11	17.31	7.24	15.81
Other income	1.00	1.53	0.90	1.51
INCOME BEFORE INCOME TAXES	10.11	18.84	8.14	17.32

* See page 10 for the definition of "Profit Leaders."
** Sample insufficient for Profit Leaders.

SALES FROM $20 TO $40 MILLION		SALES FROM $40 TO $80 MILLION		SALES OVER $160 MILLION**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
X	X	X	X	X
X	X	X	X	X
100.00%	100.00%	100.00%	100.00%	100.00%
47.26	41.72	44.63	42.56	41.23
21.00	20.06	21.90	23.08	27.55
68.26	61.78	66.53	65.64	68.78
31.74	38.22	33.47	34.36	31.22
9.31	8.89	7.67	6.55	11.51
9.37	9.28	10.88	6.09	4.16
18.68	18.17	18.55	12.64	15.67
13.06	20.05	14.92	21.72	15.55
1.94	1.86	3.36	3.11	2.72
11.12	18.19	11.56	18.61	12.83
1.11	1.60	1.29	0.92	0.26
12.23	19.79	12.85	19.53	13.09

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	ALL FIRMS REPORTING		SALES FROM $10 TO $20 MILLION	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL				
Salaries - executive	2.84%	2.70%	2.97%	3.13%
Direct wages	28.89	26.82	29.01	27.81
General factory salaries and wages	4.67	4.26	4.05	3.82
Packing, shipping and delivery wages	1.50	1.23	1.56	1.01
Payroll taxes	2.74	2.56	2.77	2.56
Employee benefits	5.10	4.74	4.77	4.35
TOTAL FACTORY PAYROLL	45.74	42.31	45.13	42.68
FACTORY EXPENSES				
Fixed Expenses				
Depreciation - real estate	0.51	0.48	0.50	0.43
Depreciation - other	4.95	4.61	4.90	4.04
Taxes - real estate	0.41	0.46	0.40	0.49
Taxes - other	0.32	0.22	0.39	0.29
Insurance	0.34	0.37	0.42	0.45
Building rent	0.92	0.80	1.19	1.05
Utilities - heat, light, etc.	2.59	2.53	2.34	2.17
Equipment rental	0.58	0.49	0.60	0.48
Total Fixed Expenses	10.62	9.96	10.74	9.40
Other Expenses				
Factory supplies and expense	4.15	4.02	3.41	3.21
Packing, shipping and delivery expense	1.67	1.63	1.68	1.54
Repairs and maintenance	2.60	2.43	2.55	2.59
Other factory expenses	1.25	1.10	1.17	0.95
Total Other Expenses	9.67	9.18	8.81	8.29
TOTAL FACTORY EXPENSES	20.29	19.14	19.55	17.69
ADMINISTRATIVE EXPENSES				
Salaries - executive	2.18	2.24	2.47	2.64
Salaries - office	2.63	2.19	2.98	2.53
Payroll taxes	0.28	0.24	0.32	0.25
Employee benefits	0.72	0.73	0.71	0.68
Bad debts	0.75	0.47	0.89	0.42
Office supplies and expenses	0.49	0.50	0.52	0.49
Professional fees	0.63	0.62	0.66	0.69
Taxes - business	0.14	0.18	0.13	0.08
Telephone	0.50	0.43	0.59	0.53
Other administrative expenses	2.07	1.69	2.12	1.89
TOTAL ADMINISTRATIVE EXPENSES	10.39	9.29	11.39	10.20
SELLING EXPENSES				
Salaries - executive	1.24	1.20	1.40	1.71
Salaries and commissions - salesmen	5.35	4.38	6.42	4.75
Salaries - sales office clerical	1.41	1.30	1.59	1.79
Payroll taxes	0.35	0.28	0.40	0.34
Employee benefits	0.60	0.52	0.62	0.67
Advertising	0.36	0.22	0.44	0.26
Travel and entertainment	1.05	0.77	1.24	0.91
Other selling expenses	1.44	1.46	1.53	1.56
TOTAL SELLING EXPENSES	11.80	10.13	13.64	11.99

** Sample insufficient for Profit Leaders.

SALES FROM $20 TO $40 MILLION		SALES FROM $40 TO $80 MILLION		SALES OVER $160 MILLION**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
2.81%	2.66%	2.46%	1.65%	1.38%
29.39	25.73	27.57	28.91	18.41
5.27	4.41	5.61	2.55	10.67
1.39	1.50	1.67	1.37	0.91
2.78	2.50	2.61	2.73	1.50
5.62	4.92	4.71	5.35	8.36
47.26	41.72	44.63	42.56	41.23
0.53	0.45	0.49	0.96	0.76
4.83	4.89	5.34	5.66	6.31
0.41	0.42	0.49	0.51	0.41
0.28	0.20	0.16	0.05	0.07
0.24	0.33	0.22	0.31	0.23
0.59	0.68	0.46	0.35	0.85
2.84	2.59	3.09	4.02	3.26
0.55	0.34	0.68	1.73	0.29
10.27	9.90	10.93	13.59	12.18
5.12	4.72	4.45	4.26	7.09
1.53	1.66	2.13	1.52	2.98
2.56	2.15	3.18	3.27	3.40
1.52	1.63	1.21	0.44	1.90
10.73	10.16	10.97	9.49	15.37
21.00	20.06	21.90	23.08	27.55
1.90	2.10	1.52	1.15	1.27
2.13	1.86	1.67	1.53	3.97
0.24	0.23	0.23	0.25	0.12
0.72	0.77	0.63	0.55	1.22
0.61	0.48	0.49	0.73	0.29
0.46	0.55	0.43	0.34	0.52
0.60	0.57	0.61	0.67	0.61
0.18	0.29	0.14	0.28	0.01
0.39	0.35	0.33	0.23	0.72
2.08	1.69	1.62	0.82	2.78
9.31	8.89	7.67	6.55	11.51
1.02	0.89	1.21	0.47	0.28
3.86	4.22	4.89	3.46	1.83
1.29	1.03	0.92	0.55	0.29
0.29	0.25	0.30	0.10	0.08
0.60	0.45	0.57	0.25	0.27
0.22	0.17	0.47	0.30	0.10
0.75	0.66	1.06	0.60	0.69
1.34	1.61	1.46	0.36	0.62
9.37	9.28	10.88	6.09	4.16

REPORT ON OPERATIONS - SALES = 100%

	ALL FIRMS REPORTING		SALES FROM $10 TO $20 MILLION	
	ALL FIRMS	PROFIT LEADERS*	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT				
MATERIALS				
Paper	27.09	23.43	26.04	23.50
Other chargeable materials	7.34	7.71	6.26	5.93
Outside services	6.12	6.00	7.48	7.42
TOTAL MATERIALS	40.55	37.14	39.78	36.85
FACTORY PAYROLL	27.25	26.75	27.16	26.92
FACTORY EXPENSES	11.91	11.99	11.60	11.06
TOTAL FACTORY COST OF PRODUCT	79.71	75.88	78.54	74.83
GROSS PROFIT	20.29	24.12	21.46	25.17
ADMINISTRATIVE AND SELLING EXPENSES				
Administrative expenses	6.22	5.89	6.91	6.57
Selling expenses	7.11	6.43	8.33	7.71
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	13.33	12.32	15.24	14.28
INCOME BEFORE INTEREST EXPENSE	6.96	11.80	6.22	10.89
Interest expense	1.52	1.11	1.79	1.03
OPERATING INCOME	5.44	10.69	4.43	9.86
Other income	0.58	0.94	0.53	0.96
INCOME BEFORE INCOME TAXES	6.02	11.63	4.96	10.82

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS				
Ink	3.87%	4.10%	2.73%	2.61%
Film	0.97	0.88	1.03	1.08
Plates	1.08	1.03	1.14	1.03
Other chargeable materials	1.42	1.70	1.36	1.21
TOTAL OTHER CHARGEABLE MATERIALS	7.34	7.71	6.26	5.93
OUTSIDE SERVICES				
Composition	0.34	0.22	0.53	0.35
Offset preparation	1.23	0.97	1.57	1.41
Printing	1.15	1.40	1.30	1.23
Binding	1.93	1.25	2.40	0.71
Other outside services	1.47	2.16	1.68	3.72
TOTAL OUTSIDE SERVICES	6.12	6.00	7.48	7.42

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.
** Sample insufficient for Profit Leaders.

SALES FROM $20 TO $40 MILLION		SALES FROM $40 TO $80 MILLION		SALES OVER $160 MILLION**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
100.00%	100.00%	100.00%	100.00%	100.00%
26.99	23.03	32.24	18.38	38.16
8.76	8.79	8.76	12.14	9.58
4.02	4.81	5.67	3.75	1.29
39.77	36.63	46.67	34.27	49.03
28.54	26.85	24.04	27.84	21.56
12.56	12.61	11.58	15.38	13.46
80.87	76.09	82.29	77.49	84.05
19.13	23.91	17.71	22.51	15.95
5.62	5.59	4.01	4.40	5.66
5.72	5.90	5.45	3.88	2.35
11.34	11.49	9.46	8.28	8.01
7.79	12.42	8.25	14.23	7.94
1.06	1.07	1.77	2.14	1.31
6.73	11.35	6.48	12.09	6.63
0.65	0.98	0.63	0.57	0.27
7.38	12.33	7.11	12.66	6.90
4.84%	4.25%	6.79%	10.38%	9.12%
1.06	0.91	0.40	0.10	0.00
1.04	1.00	0.89	1.47	0.46
1.82	2.63	0.68	0.19	0.00
8.76	8.79	8.76	12.14	9.58
0.11	0.14	0.14	0.06	0.08
0.70	0.69	1.28	0.39	0.42
0.86	1.36	1.24	1.29	0.56
1.26	1.47	1.45	1.04	0.10
1.09	1.15	1.56	0.97	0.13
4.02	4.81	5.67	3.75	1.29

SUPPORTING SCHEDULES - SALES = 100%

	ALL FIRMS REPORTING		SALES FROM $10 TO $20 MILLION	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL				
Salaries - executive	1.70%	1.74%	1.80%	2.01%
Direct wages	17.22	16.88	17.46	17.37
General factory salaries and wages	2.76	2.72	2.43	2.46
Packing, shipping and delivery wages	0.86	0.76	0.92	0.65
Payroll taxes	1.65	1.64	1.67	1.63
Employee benefits	3.06	3.01	2.88	2.80
TOTAL FACTORY PAYROLL	27.25	26.75	27.16	26.92
FACTORY EXPENSES				
Fixed Expenses				
Depreciation - real estate	0.30	0.30	0.30	0.28
Depreciation - other	2.88	2.86	2.85	2.49
Taxes - real estate	0.23	0.28	0.23	0.30
Taxes - other	0.19	0.14	0.24	0.20
Insurance	0.20	0.24	0.25	0.29
Building rent	0.54	0.50	0.70	0.63
Utilities - heat, light, etc.	1.52	1.57	1.39	1.34
Equipment rental	0.35	0.32	0.36	0.32
Total Fixed Expenses	6.21	6.21	6.32	5.85
Other Expenses				
Factory supplies and expense	2.48	2.53	2.10	2.10
Packing, shipping and delivery expense	0.96	1.04	0.96	0.90
Repairs and maintenance	1.52	1.53	1.52	1.63
Other factory expenses	0.74	0.68	0.70	0.58
Total Other Expenses	5.70	5.78	5.28	5.21
TOTAL FACTORY EXPENSES	11.91	11.99	11.60	11.06
ADMINISTRATIVE EXPENSES				
Salaries - executive	1.31	1.41	1.50	1.70
Salaries - office	1.58	1.39	1.81	1.62
Payroll taxes	0.17	0.15	0.20	0.16
Employee benefits	0.43	0.47	0.43	0.45
Bad debts	0.43	0.30	0.51	0.28
Office supplies and expenses	0.29	0.31	0.31	0.30
Professional fees	0.38	0.40	0.41	0.46
Taxes - business	0.09	0.12	0.08	0.05
Telephone	0.30	0.27	0.36	0.32
Other administrative expenses	1.24	1.07	1.30	1.23
TOTAL ADMINISTRATIVE EXPENSES	6.22	5.89	6.91	6.57
SELLING EXPENSES				
Salaries - executive	0.74	0.79	0.86	1.14
Salaries and commissions - salesmen	3.19	2.66	3.84	2.96
Salaries - sales office clerical	0.87	0.85	1.00	1.17
Payroll taxes	0.21	0.18	0.25	0.22
Employee benefits	0.37	0.35	0.39	0.46
Advertising	0.22	0.15	0.28	0.18
Travel and entertainment	0.62	0.49	0.75	0.57
Other selling expenses	0.89	0.96	0.96	1.01
TOTAL SELLING EXPENSES	7.11	6.43	8.33	7.71

** Sample insufficient for Profit Leaders.

SALES FROM $20 TO $40 MILLION		SALES FROM $40 TO $80 MILLION		SALES OVER $160 MILLION**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
1.69%	1.73%	1.21%	1.03%	0.66%
17.73	16.59	15.27	18.95	9.49
3.18	2.86	2.75	1.59	5.95
0.82	0.90	0.78	0.93	0.36
1.70	1.65	1.41	1.77	0.92
3.42	3.12	2.62	3.57	4.18
28.54	26.85	24.04	27.84	21.56
0.31	0.28	0.28	0.61	0.35
2.87	3.05	2.85	3.78	3.06
0.24	0.26	0.27	0.33	0.19
0.16	0.12	0.07	0.03	0.04
0.14	0.20	0.12	0.21	0.11
0.37	0.47	0.20	0.20	0.37
1.70	1.62	1.74	2.70	1.64
0.32	0.22	0.46	1.23	0.15
6.11	6.22	5.99	9.09	5.91
3.10	2.93	2.37	2.84	3.27
0.94	1.14	0.97	0.95	1.65
1.52	1.36	1.65	2.23	1.69
0.89	0.96	0.60	0.27	0.94
6.45	6.39	5.59	6.29	7.55
12.56	12.61	11.58	15.38	13.46
1.14	1.28	0.79	0.76	0.72
1.29	1.20	0.89	1.03	1.91
0.15	0.14	0.12	0.17	0.08
0.45	0.50	0.33	0.37	0.54
0.34	0.29	0.29	0.52	0.17
0.28	0.35	0.21	0.23	0.24
0.36	0.36	0.31	0.45	0.28
0.12	0.20	0.07	0.16	0.01
0.24	0.24	0.18	0.16	0.37
1.25	1.03	0.82	0.55	1.34
5.62	5.59	4.01	4.40	5.66
0.62	0.58	0.56	0.30	0.16
2.31	2.59	2.54	2.16	1.06
0.79	0.67	0.46	0.35	0.17
0.18	0.17	0.14	0.06	0.05
0.37	0.29	0.27	0.15	0.14
0.14	0.11	0.25	0.21	0.05
0.46	0.42	0.54	0.41	0.37
0.85	1.07	0.69	0.24	0.35
5.72	5.90	5.45	3.88	2.35

BALANCE SHEET

	ALL FIRMS REPORTING		SALES FROM $10 TO $20 MILLION	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
ASSETS				
CURRENT ASSETS				
Cash	3.69%	7.74%	3.70%	11.51%
Receivables	30.72	29.01	31.59	29.26
Inventories	15.97	12.24	17.16	14.90
Other current assets	4.13	6.68	3.56	5.22
TOTAL CURRENT ASSETS	54.51	55.67	56.01	60.89
FIXED ASSETS				
Real estate	13.94	11.18	13.17	9.85
Less: Accumulated depreciation	4.12	3.05	3.53	2.89
	9.82	8.13	9.64	6.96
Machinery and equipment	58.49	55.62	56.97	49.37
Less: Accumulated depreciation	29.06	26.49	29.08	24.48
	29.43	29.13	27.89	24.89
Other fixed assets	3.87	3.15	5.07	4.61
Less: Accumulated depreciation	1.97	1.40	2.61	2.07
	1.90	1.75	2.46	2.54
NET FIXED ASSETS	41.15	39.01	39.99	34.39
OTHER ASSETS	4.34	5.32	4.00	4.72
TOTAL ASSETS	100.00	100.00	100.00	100.00
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Notes payable	7.22	3.36	8.80	3.39
Accounts payable	13.41	9.86	14.24	10.52
Other current liabilities	10.02	10.78	10.00	10.83
TOTAL CURRENT LIABILITIES	30.65	24.00	33.04	24.74
LONG-TERM LIABILITIES	24.01	20.01	25.06	16.46
TOTAL LIABILITIES	54.66	44.01	58.10	41.20
SHAREHOLDERS' AND PROPRIETORS' EQUITY	45.34	55.99	41.90	58.80
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	1.78	2.32	1.70	2.46
QUICK RATIO	1.26	1.81	1.18	1.86
TOTAL LIABILITIES TO EQUITY	1.21	0.79	1.39	0.70
LONG-TERM LIABILITIES TO EQUITY	0.53	0.36	0.60	0.28
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.50	0.48	0.51	0.50

** Sample insufficient for Profit Leaders.

SALES FROM $20 TO $40 MILLION		SALES FROM $40 TO $80 MILLION		SALES OVER $160 MILLION**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
4.24%	5.35%	1.64%	4.58%	2.16%
29.66	29.81	29.72	22.93	31.47
14.82	10.21	12.77	7.69	10.74
5.06	7.83	3.58	7.11	4.77
53.78	53.20	47.71	42.31	49.14
15.22	11.51	14.06	16.56	16.56
5.28	3.25	3.18	2.28	5.64
9.94	8.26	10.88	14.28	10.92
60.92	59.80	56.04	60.39	73.99
30.03	28.20	22.89	21.75	35.73
30.89	31.60	33.15	38.64	38.26
2.07	1.75	3.58	4.22	1.15
1.03	0.78	1.76	2.02	0.54
1.04	0.97	1.82	2.20	0.61
41.87	40.83	45.85	55.12	49.79
4.35	5.97	6.44	2.57	1.07
100.00	100.00	100.00	100.00	100.00
5.11	3.43	6.56	3.56	1.36
12.22	9.45	13.42	9.74	10.60
10.59	10.65	7.39	10.31	8.49
27.92	23.53	27.37	23.61	20.45
20.53	22.05	32.50	30.09	32.94
48.45	45.58	59.87	53.70	53.39
51.55	54.42	40.13	46.30	46.61
100.00	100.00	100.00	100.00	100.00
1.93	2.26	1.74	1.79	2.40
1.40	1.83	1.28	1.47	1.88
0.94	0.84	1.49	1.16	1.15
0.40	0.41	0.81	0.65	0.71
0.49	0.47	0.41	0.36	0.48

SIGNIFICANT FACTS

	ALL FIRMS REPORTING		SALES FROM $10 TO $20 MILLION	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT				
Average assets per employee - All employees	$ 50,427	$ 57,611	$ 45,411	$ 48,828
Average assets per factory employee (Excluding Executives)	64,600	71,689	60,049	63,020
Average net worth per employee - All employees	21,984	30,159	18,552	27,877
Average gross plant investment per factory employee (Excluding Executives)	47,752	50,658	44,025	40,960
Net worth percentage of fixed assets	132.49%	185.18%	121.55%	211.43%
EMPLOYEES				
Percent factory - All employees	82.58%	84.57%	80.61%	82.18%
Percent administrative - All employees	8.35	7.43	9.15	7.98
Percent sales - All employees	9.07	8.00	10.24	9.84
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES				
Sales per employee - All employees	$ 88,516	$ 93,696	$ 82,415	$ 82,608
Sales per factory employee	108,648	112,066	103,851	101,446
Sales less material per factory employee	62,306	66,921	60,996	63,384
Sales per administrative employee	1,295,408	1,488,041	1,064,749	1,221,818
EXCLUDING EXECUTIVES				
Sales per employee - All employees	94,338	99,157	88,288	88,551
Sales per factory employee	114,014	117,000	109,357	106,995
Sales less material per factory employee	65,363	69,935	64,248	66,871
SALES PER SALESMAN	1,738,128	2,337,401	1,232,799	1,776,921
SALES TO CURRENT ASSETS	371%	341%	372%	311%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES				
Total payroll percentage of sales	36.10%	35.00%	37.44%	36.79%
Factory payroll percentage of gross plant investment	70.42	74.31	73.00	85.54
Payroll per employee - All employees	$ 30,296	$ 30,518	$ 29,743	$ 29,792
Payroll per factory employee	27,717	27,557	26,714	26,555
Payroll per administrative employee	36,314	43,041	35,691	42,694
Payroll per sales employee	52,137	56,163	53,359	54,255
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES				
Payroll per employee - All employees	$ 23,666	$ 23,420	$ 23,287	$ 22,615
Payroll per factory employee	22,260	21,984	21,500	21,225
Payroll per administrative employee	18,838	20,389	18,651	20,147
Payroll per sales employee	42,464	43,278	44,263	41,183
EXECUTIVE PAYROLL				
Payroll per executive - All executives	59,342	68,875	58,364	69,218
Payroll per factory executive	40,345	44,814	40,426	45,556
Payroll per administrative executive	80,471	95,526	75,308	88,362
Payroll per sales executive	71,246	80,697	70,342	75,279
RECEIVABLES				
Collection period	63.7	61.9	63.9	59.8
PROFIT				
Gross profit percentage of sales	20.29%	24.12%	21.46%	25.17%
Average gross profit per factory employee	$ 23,077	$ 27,605	$ 23,736	$ 27,183
Income before taxes percentage of sales	6.02%	11.63%	4.96%	10.82%
Average income before taxes per employee	$ 5,469	$ 10,723	$ 4,220	$ 9,148

** Sample insufficient for Profit Leaders.

SALES FROM $20 TO $40 MILLION		SALES FROM $40 TO $80 MILLION		SALES OVER $160 MILLION**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
$ 53,023	$ 61,706	$ 69,699	$ 72,128	$ 59,537
65,498	76,196	88,403	83,617	70,757
25,273	30,187	26,788	31,441	27,294
49,084	55,660	63,780	67,834	64,223
157.51%	175.25%	99.47%	105.65%	94.20%
85.30%	85.96%	83.68%	88.47%	87.78%
7.33	7.04	6.72	6.38	9.56
7.37	7.00	9.60	5.15	2.66
$ 90,054	$ 98,046	$ 111,937	$ 94,202	$ 109,466
106,741	116,266	137,447	106,827	125,193
62,107	68,398	69,831	69,381	61,036
1,492,365	1,596,635	2,074,183	2,171,993	1,180,295
95,579	103,694	119,359	97,193	113,897
111,516	121,349	145,114	109,366	129,853
64,871	71,420	73,227	70,943	63,058
2,130,577	2,228,562	2,837,985	5,632,245	6,117,711
372%	364%	353%	341%	379%
35.86%	34.27%	30.16%	33.19%	26.39%
71.57	69.44	51.86	48.75	43.96
$ 30,493	$ 30,271	$ 32,652	$ 31,079	$ 27,181
28,535	27,440	30,695	29,273	25,192
36,555	42,970	37,329	39,591	38,673
49,029	54,397	53,667	65,258	50,779
$ 23,667	$ 23,335	$ 25,867	$ 24,091	$ 20,134
22,799	21,867	24,968	22,996	18,889
18,857	19,658	17,259	18,936	25,435
37,907	39,984	46,228	60,773	40,911
59,150	66,229	65,409	71,321	47,503
39,435	40,409	42,545	60,939	33,286
82,873	100,367	100,813	97,469	95,758
68,144	81,173	84,934	101,889	96,214
62.6	64.3	68.9	64.7	62.6
19.13%	23.91%	17.71%	22.51%	15.95%
$ 21,221	$ 27,974	$ 25,190	$ 24,408	$ 19,682
7.38%	12.33%	7.11%	12.66%	6.90%
$ 6,583	$ 11,379	$ 7,548	$ 11,773	$ 7,043

RETURN ON INVESTMENT - PER $100 OF SALES

	ALL FIRMS REPORTING		SALES FROM $10 TO $20 MILLION	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT				
Current Assets:				
Cash	$ 2.43	$ 5.08	$ 2.51	$ 7.65
Receivables	16.87	16.46	16.93	15.92
Inventories	8.21	7.02	8.21	8.26
Marketable securities	1.29	2.99	0.82	2.04
Other current assets	1.30	1.50	1.30	1.54
	30.10	33.05	29.77	35.41
Plant Investment:				
Land and building	8.23	7.18	7.72	5.57
Machinery and equipment	32.86	34.76	30.94	29.25
Other fixed assets	2.09	1.94	2.68	2.74
	43.18	43.88	41.34	37.56
Non-Current Assets	2.71	3.62	2.29	2.48
TOTAL INVESTMENT	75.99	80.55	73.40	75.45
INVESTMENT TURNOVER PER $100 OF SALES	131.60%	124.15%	136.24%	132.54%
EARNINGS				
Cost of Product	$79.71	$75.88	$78.54	$74.83
Selling Expenses	7.11	6.43	8.33	7.71
Administrative Expenses	6.22	5.89	6.91	6.57
	93.04	88.20	93.78	89.11
Income Before Interest, Other Income, and Taxes	6.96	11.80	6.22	10.89
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	9.16%	14.65%	8.47%	14.43%

** Sample insufficient for Profit Leaders.

SALES FROM $20 TO $40 MILLION		SALES FROM $40 TO $80 MILLION		SALES OVER $160 MILLION**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
$ 2.67	$ 3.37	$ 1.13	$ 3.40	$ 1.20
16.54	17.15	18.49	17.00	16.92
8.38	6.04	7.81	5.62	5.82
2.10	3.87	1.11	3.70	2.13
1.33	1.49	1.01	0.81	0.32
31.02	31.92	29.55	30.53	26.39
8.88	7.84	9.46	13.52	8.89
35.09	38.13	36.43	47.93	39.75
1.11	1.04	2.52	3.70	0.65
45.08	47.01	48.41	65.15	49.29
3.14	1.91	3.88	1.73	0.59
79.24	83.84	81.84	97.41	76.27
126.20%	119.27%	122.19%	102.66%	131.11%
$80.87	$76.09	$82.29	$77.49	$84.05
5.72	5.90	5.45	3.88	2.35
5.62	5.59	4.01	4.40	5.66
92.21	87.58	91.75	85.77	92.06
7.79	12.42	8.25	14.23	7.94
9.83%	14.81%	10.08%	14.61%	10.41%

REPORT ON OPERATIONS - VALUE ADDED = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%	100.00%
FACTORY PAYROLL	44.40	42.04	49.95	43.13
FACTORY EXPENSES	19.65	18.05	22.32	22.55
TOTAL FACTORY COST OF PRODUCT	64.05	60.09	72.27	65.68
GROSS PROFIT	35.95	39.91	27.73	34.32
ADMINISTRATIVE AND SELLING EXPENSES				
Administrative expenses	10.85	9.37	8.39	8.00
Selling expenses	13.51	11.11	7.14	5.40
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	24.36	20.48	15.53	13.40
INCOME BEFORE INTEREST EXPENSE	11.59	19.43	12.20	20.92
Interest expense	2.98	1.51	2.07	2.41
OPERATING INCOME	8.61	17.92	10.13	18.51
Other income	0.70	1.30	1.46	1.62
INCOME BEFORE INCOME TAXES	9.31	19.22	11.59	20.13

** Sample insufficient for Profit Leaders.
**** All firms are Profit Leaders.

NEWSPAPER**	FINANCIAL	DIRECT MAIL-CATALOG**	BOOK		DIRECTORY**	PACKAGING**
ALL FIRMS	ALL FIRMS****	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS
X	X	X	X	X	X	X
X	X	X	X	X	X	X
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
45.26	39.65	41.27	46.88	46.11	40.42	46.99
25.27	13.19	19.56	18.66	18.90	21.20	20.49
70.53	52.84	60.83	65.54	65.01	61.62	67.48
29.47	47.16	39.17	34.46	34.99	38.38	32.52
8.98	13.55	6.70	11.69	8.98	14.83	9.03
3.26	14.87	14.47	11.61	12.15	6.47	13.46
12.24	28.42	21.17	23.30	21.13	21.30	22.49
17.23	18.74	18.00	11.16	13.86	17.08	10.03
5.31	2.32	4.18	1.65	1.15	5.34	1.13
11.92	16.42	13.82	9.51	12.71	11.74	8.90
0.59	0.38	0.11	1.94	2.50	2.69	1.68
12.51	16.80	13.93	11.45	15.21	14.43	10.58

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL				
Salaries - executive	2.63%	2.74%	2.97%	2.41%
Direct wages	28.66	27.59	30.75	25.89
General factory salaries and wages	4.26	3.56	6.01	5.52
Packing, shipping and delivery wages	1.61	1.43	1.07	0.83
Payroll taxes	2.61	2.51	3.04	2.71
Employee benefits	4.63	4.21	6.11	5.77
TOTAL FACTORY PAYROLL	44.40	42.04	49.95	43.13
FACTORY EXPENSES				
Fixed Expenses				
Depreciation - real estate	0.49	0.44	0.57	0.45
Depreciation - other	5.09	4.54	5.40	5.88
Taxes - real estate	0.43	0.47	0.31	0.23
Taxes - other	0.32	0.16	0.30	0.21
Insurance	0.37	0.43	0.23	0.35
Building rent	1.17	1.12	0.50	0.37
Utilities - heat, light, etc.	2.36	2.32	3.29	3.13
Equipment rental	0.60	0.28	0.73	0.74
Total Fixed Expenses	10.83	9.76	11.33	11.36
Other Expenses				
Factory supplies and expense	3.58	3.49	5.52	5.56
Packing, shipping and delivery expense	1.58	1.37	1.71	2.15
Repairs and maintenance	2.45	2.54	2.70	2.45
Other factory expenses	1.21	0.89	1.06	1.03
Total Other Expenses	8.82	8.29	10.99	11.19
TOTAL FACTORY EXPENSES	19.65	18.05	22.32	22.55
ADMINISTRATIVE EXPENSES				
Salaries - executive	2.23	2.07	1.80	1.92
Salaries - office	2.86	2.32	2.04	2.03
Payroll taxes	0.30	0.24	0.24	0.23
Employee benefits	0.72	0.73	0.70	0.82
Bad debts	0.72	0.37	0.78	0.53
Office supplies and expenses	0.52	0.49	0.45	0.60
Professional fees	0.64	0.67	0.55	0.44
Taxes - business	0.12	0.14	0.10	0.24
Telephone	0.55	0.42	0.38	0.40
Other administrative expenses	2.19	1.92	1.35	0.79
TOTAL ADMINISTRATIVE EXPENSES	10.85	9.37	8.39	8.00
SELLING EXPENSES				
Salaries - executive	1.19	0.83	1.03	1.08
Salaries and commissions - salesmen	6.84	5.61	2.42	1.33
Salaries - sales office clerical	1.32	1.32	1.07	0.75
Payroll taxes	0.38	0.32	0.24	0.13
Employee benefits	0.55	0.46	0.57	0.36
Advertising	0.41	0.23	0.28	0.14
Travel and entertainment	1.18	0.73	0.68	0.63
Other selling expenses	1.64	1.61	0.85	0.98
TOTAL SELLING EXPENSES	13.51	11.11	7.14	5.40

** Sample insufficient for Profit Leaders.
**** All firms are Profit Leaders.

NEWSPAPER**	FINANCIAL	DIRECT MAIL-CATALOG**	BOOK		DIRECTORY**	PACKAGING**
ALL FIRMS	ALL FIRMS****	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS
2.66%	1.54%	2.53%	4.42%	4.21%	0.83%	2.73%
29.39	23.91	28.94	27.35	27.14	26.91	30.79
3.71	4.61	1.90	5.30	5.75	3.42	2.89
2.95	1.21	1.48	1.12	1.08	2.47	1.21
2.59	2.82	2.40	3.24	3.07	3.05	2.15
3.96	5.56	4.02	5.45	4.86	3.74	7.22
45.26	39.65	41.27	46.88	46.11	40.42	46.99
0.43	0.77	0.33	0.62	0.68	0.90	0.37
6.86	1.28	4.81	3.73	3.65	5.15	2.75
0.20	0.11	0.32	0.51	0.65	0.44	1.02
0.26	0.27	0.00	0.40	0.48	0.73	0.25
0.24	0.28	0.32	0.49	0.24	0.34	0.20
0.62	0.39	1.52	0.17	(0.09)	0.29	1.27
2.57	1.20	3.79	2.78	3.19	2.00	1.93
0.18	1.24	0.36	0.47	0.77	0.33	0.06
11.36	5.54	11.45	9.17	9.57	10.18	7.85
4.61	2.26	4.25	4.32	4.35	5.61	3.09
1.99	3.61	0.04	1.13	0.61	0.78	1.41
6.38	1.06	3.24	2.63	2.71	3.03	3.10
0.93	0.72	0.58	1.41	1.66	1.60	5.04
13.91	7.65	8.11	9.49	9.33	11.02	12.64
25.27	13.19	19.56	18.66	18.90	21.20	20.49
1.72	2.98	1.40	2.55	2.58	4.68	1.46
1.67	1.54	0.61	3.35	2.10	2.79	2.81
0.21	0.17	0.10	0.39	0.28	0.28	0.25
0.52	0.74	0.36	0.98	0.51	0.76	0.53
0.50	1.19	1.16	0.49	0.58	2.74	0.13
0.88	0.62	0.07	0.45	0.40	0.49	0.24
1.33	1.34	0.27	0.64	0.61	0.53	0.31
0.28	0.33	0.00	0.52	0.26	0.05	0.00
0.41	0.92	0.15	0.47	0.43	0.46	0.49
1.46	3.72	2.58	1.85	1.23	2.05	2.81
8.98	13.55	6.70	11.69	8.98	14.83	9.03
0.14	3.58	1.56	1.35	1.56	0.55	2.12
1.81	3.93	7.09	3.96	4.38	2.50	4.60
0.06	1.49	2.45	2.26	2.29	0.71	1.56
0.07	0.30	0.48	0.41	0.39	0.12	0.38
0.20	1.62	0.41	0.79	0.67	0.20	0.73
0.15	0.60	0.31	0.15	0.10	0.31	0.79
0.60	0.93	1.16	1.28	1.52	0.47	1.68
0.23	2.42	1.01	1.41	1.24	1.61	1.60
3.26	14.87	14.47	11.61	12.15	6.47	13.46

REPORT ON OPERATIONS - SALES = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT				
MATERIALS				
Paper	26.71	23.79	28.16	22.88
Other chargeable materials	7.25	7.73	7.54	8.43
Outside services	7.40	6.72	3.22	3.91
TOTAL MATERIALS	41.36	38.24	38.92	35.22
FACTORY PAYROLL	26.03	26.17	30.34	27.83
FACTORY EXPENSES	11.32	11.10	13.64	14.72
TOTAL FACTORY COST OF PRODUCT	78.71	75.51	82.90	77.77
GROSS PROFIT	21.29	24.49	17.10	22.23
ADMINISTRATIVE AND SELLING EXPENSES				
Administrative expenses	6.43	5.88	5.13	5.17
Selling expenses	8.12	6.97	4.36	3.55
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	14.55	12.85	9.49	8.72
INCOME BEFORE INTEREST EXPENSE	6.74	11.64	7.61	13.51
Interest expense	1.68	0.88	1.29	1.61
OPERATING INCOME	5.06	10.76	6.32	11.90
Other income	0.41	0.79	0.85	1.06
INCOME BEFORE INCOME TAXES	5.47	11.55	7.17	12.96

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS				
Ink	3.52%	3.80%	5.15%	6.33%
Film	0.99	0.94	0.75	0.49
Plates	1.04	0.96	1.10	1.02
Other chargeable materials	1.70	2.03	0.54	0.59
TOTAL OTHER CHARGEABLE MATERIALS	7.25	7.73	7.54	8.43
OUTSIDE SERVICES				
Composition	0.48	0.25	0.12	0.05
Offset preparation	1.68	1.34	0.80	0.66
Printing	1.45	1.62	0.67	1.17
Binding	2.43	1.83	0.45	0.37
Other outside services	1.36	1.68	1.18	1.66
TOTAL OUTSIDE SERVICES	7.40	6.72	3.22	3.91

** Sample insufficient for Profit Leaders.
*** Information not submitted.
**** All firms are Profit Leaders.

NEWSPAPER**	FINANCIAL	DIRECT MAIL-CATALOG**	BOOK		DIRECTORY**	PACKAGING**
ALL FIRMS	ALL FIRMS****	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
42.03	10.39	27.67	20.02	18.22	45.29	28.47
9.54	1.72	8.51	10.52	10.48	4.44	1.85
5.63	5.80	10.70	6.60	6.64	5.05	9.38
57.20	17.91	46.88	37.14	35.34	54.78	39.70
19.64	32.57	21.92	29.48	29.95	18.43	28.08
10.70	10.81	10.39	11.73	12.15	9.63	12.48
87.54	61.29	79.19	78.35	77.44	82.84	80.26
12.46	38.71	20.81	21.65	22.56	17.16	19.74
3.76	11.10	3.56	7.34	5.85	6.67	5.73
1.41	12.22	7.68	7.32	7.85	2.94	8.40
5.17	23.32	11.24	14.66	13.70	9.61	14.13
7.29	15.39	9.57	6.99	8.86	7.55	5.61
2.28	1.90	2.23	0.97	0.67	2.38	0.69
5.01	13.49	7.34	6.02	8.19	5.17	4.92
0.22	0.32	0.06	1.23	1.60	1.19	1.07
5.23	13.81	7.40	7.24	9.79	6.36	5.99
7.81%	0.12%	6.99%	2.45%	3.35%	2.79%	1.53%
0.19	0.26	0.47	2.43	2.09	0.52	0.00
1.18	0.24	0.52	2.14	1.84	0.81	0.32
0.36	1.10	0.53	3.50	3.20	0.32	0.00
9.54	1.72	8.51	10.52	10.48	4.44	1.85
	1.80	0.00	0.17	0.03	0.08	0.05
	0.00	0.00	0.09	0.00	0.46	0.92
	1.93	0.00	0.38	0.18	1.96	2.90
	1.35	10.70	2.01	0.27	2.00	0.14
	0.72	0.00	3.95	6.16	0.55	5.37
***	5.80	10.70	6.60	6.64	5.05	9.38

SUPPORTING SCHEDULES - SALES = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL				
Salaries - executive	1.57%	1.81%	1.78%	1.48%
Direct wages	16.86	17.09	18.67	16.78
General factory salaries and wages	2.45	2.18	3.63	3.59
Packing, shipping and delivery wages	0.92	0.87	0.64	0.53
Payroll taxes	1.54	1.58	1.87	1.76
Employee benefits	2.69	2.64	3.75	3.69
TOTAL FACTORY PAYROLL	26.03	26.17	30.34	27.83
FACTORY EXPENSES				
Fixed Expenses				
Depreciation - real estate	0.28	0.27	0.35	0.29
Depreciation - other	2.89	2.77	3.29	3.81
Taxes - real estate	0.24	0.29	0.18	0.15
Taxes - other	0.19	0.10	0.18	0.14
Insurance	0.22	0.27	0.14	0.23
Building rent	0.70	0.72	0.30	0.26
Utilities - heat, light, etc.	1.36	1.40	2.02	2.05
Equipment rental	0.35	0.18	0.45	0.50
Total Fixed Expenses	6.23	6.00	6.91	7.43
Other Expenses				
Factory supplies and expense	2.07	2.13	3.45	3.62
Packing, shipping and delivery expense	0.89	0.83	1.01	1.41
Repairs and maintenance	1.43	1.60	1.63	1.58
Other factory expenses	0.70	0.54	0.64	0.68
Total Other Expenses	5.09	5.10	6.73	7.29
TOTAL FACTORY EXPENSES	11.32	11.10	13.64	14.72
ADMINISTRATIVE EXPENSES				
Salaries - executive	1.32	1.29	1.13	1.25
Salaries - office	1.72	1.49	1.24	1.29
Payroll taxes	0.18	0.15	0.15	0.15
Employee benefits	0.42	0.46	0.44	0.54
Bad debts	0.41	0.22	0.44	0.34
Office supplies and expenses	0.30	0.30	0.27	0.37
Professional fees	0.39	0.43	0.34	0.29
Taxes - business	0.07	0.09	0.07	0.16
Telephone	0.32	0.26	0.23	0.25
Other administrative expenses	1.30	1.19	0.82	0.53
TOTAL ADMINISTRATIVE EXPENSES	6.43	5.88	5.13	5.17
SELLING EXPENSES				
Salaries - executive	0.70	0.54	0.64	0.73
Salaries and commissions - salesmen	4.06	3.41	1.47	0.85
Salaries - sales office clerical	0.83	0.86	0.63	0.47
Payroll taxes	0.23	0.21	0.15	0.08
Employee benefits	0.33	0.30	0.35	0.23
Advertising	0.25	0.16	0.17	0.10
Travel and entertainment	0.70	0.45	0.41	0.41
Other selling expenses	1.02	1.04	0.54	0.68
TOTAL SELLING EXPENSES	8.12	6.97	4.36	3.55

** Sample insufficient for Profit Leaders.
**** All firms are Profit Leaders.

NEWSPAPER**	FINANCIAL	DIRECT MAIL-CATALOG**	BOOK		DIRECTORY**	PACKAGING**
ALL FIRMS	ALL FIRMS****	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS
0.94%	1.26%	1.35%	2.75%	2.72%	0.38%	1.80%
13.04	19.65	15.36	17.21	17.51	12.31	17.74
1.53	3.79	1.01	3.35	3.85	1.55	1.92
1.01	0.99	0.79	0.70	0.70	1.14	0.77
1.15	2.32	1.28	2.03	1.99	1.39	1.41
1.97	4.56	2.13	3.44	3.18	1.66	4.44
19.64	32.57	21.92	29.48	29.95	18.43	28.08
0.20	0.64	0.17	0.40	0.44	0.41	0.25
2.85	1.05	2.57	2.29	2.26	2.32	1.65
0.07	0.09	0.17	0.32	0.41	0.20	0.61
0.11	0.22	0.00	0.26	0.33	0.33	0.17
0.10	0.23	0.17	0.29	0.16	0.15	0.13
0.23	0.32	0.80	0.10	(0.06)	0.13	0.70
1.18	0.98	2.01	1.74	2.02	0.90	1.21
0.08	1.02	0.19	0.30	0.48	0.14	0.04
4.82	4.55	6.08	5.70	6.04	4.58	4.76
1.97	1.86	2.26	2.77	2.91	2.54	1.83
0.85	2.94	0.02	0.71	0.41	0.37	0.94
2.74	0.87	1.72	1.62	1.68	1.41	1.91
0.32	0.59	0.31	0.93	1.11	0.73	3.04
5.88	6.26	4.31	6.03	6.11	5.05	7.72
10.70	10.81	10.39	11.73	12.15	9.63	12.48
0.80	2.44	0.74	1.60	1.67	2.07	0.92
0.70	1.26	0.32	2.11	1.41	1.25	1.79
0.10	0.14	0.05	0.25	0.19	0.12	0.17
0.25	0.61	0.19	0.61	0.34	0.33	0.33
0.19	0.98	0.61	0.31	0.37	1.29	0.08
0.34	0.51	0.04	0.28	0.26	0.22	0.15
0.54	1.10	0.14	0.40	0.39	0.24	0.20
0.11	0.27	0.00	0.33	0.18	0.03	0.00
0.18	0.75	0.08	0.28	0.26	0.21	0.33
0.55	3.04	1.39	1.17	0.78	0.91	1.76
3.76	11.10	3.56	7.34	5.85	6.67	5.73
0.05	2.95	0.83	0.82	0.94	0.26	1.24
0.79	3.22	3.76	2.49	2.84	1.14	2.83
0.02	1.23	1.30	1.45	1.54	0.31	0.97
0.03	0.25	0.25	0.26	0.26	0.05	0.26
0.10	1.33	0.22	0.50	0.44	0.09	0.45
0.06	0.50	0.16	0.10	0.07	0.14	0.53
0.28	0.76	0.62	0.78	0.93	0.22	1.11
0.08	1.98	0.54	0.92	0.83	0.73	1.01
1.41	12.22	7.68	7.32	7.85	2.94	8.40

BALANCE SHEET

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
ASSETS				
CURRENT ASSETS				
Cash	3.56%	9.58%	4.47%	9.21%
Receivables	32.05	31.47	26.87	21.45
Inventories	15.66	10.53	14.46	9.69
Other current assets	3.98	6.58	4.94	8.74
TOTAL CURRENT ASSETS	55.25	58.16	50.74	49.09
FIXED ASSETS				
Real estate	12.67	8.91	14.86	10.94
Less: Accumulated depreciation	3.54	2.66	4.75	2.22
	9.13	6.25	10.11	8.72
Machinery and equipment	56.42	56.49	69.80	65.03
Less: Accumulated depreciation	27.39	28.69	35.07	26.64
	29.03	27.80	34.73	38.39
Other fixed assets	4.51	3.53	2.64	2.23
Less: Accumulated depreciation	2.28	1.55	1.29	1.04
	2.23	1.98	1.35	1.19
NET FIXED ASSETS	40.39	36.03	46.19	48.30
OTHER ASSETS	4.36	5.81	3.07	2.61
TOTAL ASSETS	100.00	100.00	100.00	100.00
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Notes payable	8.86	2.68	3.63	5.11
Accounts payable	14.48	11.36	11.15	7.74
Other current liabilities	10.00	11.44	8.50	7.41
TOTAL CURRENT LIABILITIES	33.34	25.48	23.28	20.26
LONG-TERM LIABILITIES	23.88	15.07	24.18	29.47
TOTAL LIABILITIES	57.22	40.55	47.46	49.73
SHAREHOLDERS' AND PROPRIETORS' EQUITY	42.78	59.45	52.54	50.27
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	1.66	2.28	2.18	2.42
QUICK RATIO	1.19	1.87	1.56	1.94
TOTAL LIABILITIES TO EQUITY	1.34	0.68	0.90	0.99
LONG-TERM LIABILITIES TO EQUITY	0.56	0.25	0.46	0.59
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.49	0.51	0.50	0.41

** Sample insufficient for Profit Leaders.
**** All firms are Profit Leaders.

NEWSPAPER**	FINANCIAL	DIRECT MAIL-CATALOG**	BOOK		DIRECTORY**	PACKAGING**
ALL FIRMS	ALL FIRMS****	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS
2.15%	3.35%	0.06%	1.11%	0.77%	1.47%	3.27%
35.42	36.34	33.71	33.53	33.48	20.62	34.79
10.06	14.74	17.92	16.01	15.44	15.12	34.05
0.52	7.99	0.27	5.49	5.90	0.73	0.46
48.15	62.42	51.96	56.14	55.59	37.94	72.57
11.03	12.35	9.45	22.67	24.37	14.86	14.65
2.68	3.21	1.52	7.07	7.43	2.77	7.90
8.35	9.14	7.93	15.60	16.94	12.09	6.75
53.52	29.67	50.03	47.62	43.76	48.87	45.89
19.95	14.83	14.35	24.38	21.87	16.84	27.98
33.57	14.84	35.68	23.24	21.89	32.03	17.91
1.40	5.55	1.27	1.79	2.47	2.10	3.38
0.69	2.57	0.67	0.85	1.00	1.08	1.76
0.71	2.98	0.60	0.94	1.47	1.02	1.62
42.63	26.96	44.21	39.78	40.30	45.14	26.28
9.22	10.62	3.83	4.08	4.11	16.92	1.15
100.00	100.00	100.00	100.00	100.00	100.00	100.00
13.17	1.29	14.89	3.57	1.71	14.21	1.70
24.94	5.41	18.92	11.60	9.89	9.01	12.09
4.00	21.82	7.85	11.68	13.43	5.61	9.91
42.11	28.52	41.66	26.85	25.03	28.83	23.70
31.77	28.27	33.59	19.88	15.18	46.65	12.93
73.88	56.79	75.25	46.73	40.21	75.48	36.63
26.12	43.21	24.75	53.27	59.79	24.52	63.37
100.00	100.00	100.00	100.00	100.00	100.00	100.00
1.14	2.19	1.25	2.09	2.22	1.32	3.06
0.90	1.67	0.82	1.49	1.60	0.79	1.63
2.83	1.31	3.04	0.88	0.67	3.08	0.58
1.22	0.65	1.36	0.37	0.25	1.90	0.20
0.37	0.50	0.29	0.51	0.50	0.34	0.61

SIGNIFICANT FACTS

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT				
Average assets per employee - All employees	$ 51,404	$ 57,124	$ 47,856	$ 58,579
Average assets per factory employee (Excluding Executives)	66,498	71,801	57,095	68,268
Average net worth per employee - All employees	21,415	32,671	25,034	29,285
Average gross plant investment per factory employee (Excluding Executives)	48,528	50,277	47,730	51,997
Net worth percentage of fixed assets	127.61%	218.96%	123.40%	119.59%
EMPLOYEES				
Percent factory - All employees	81.33%	83.74%	87.49%	89.82%
Percent administrative - All employees	9.02	7.78	6.80	6.43
Percent sales - All employees	9.65	8.48	5.71	3.75
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES				
Sales per employee - All employees	$ 93,371	$ 105,034	$ 78,753	$ 80,822
Sales per factory employee	115,648	126,242	90,481	90,530
Sales less material per factory employee	65,691	73,240	54,685	57,863
Sales per administrative employee	1,253,131	1,569,569	1,349,978	1,539,526
EXCLUDING EXECUTIVES				
Sales per employee - All employees	99,136	110,608	83,635	85,121
Sales per factory employee	120,964	131,530	94,553	94,242
Sales less material per factory employee	68,756	76,519	57,083	60,084
SALES PER SALESMAN	1,305,952	1,361,118	3,218,719	5,392,863
SALES TO CURRENT ASSETS	381%	356%	366%	320%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES				
Total payroll percentage of sales	35.82%	34.89%	36.53%	33.41%
Factory payroll percentage of gross plant investment	70.07	76.96	64.29	54.51
Payroll per employee - All employees	$ 31,656	$ 33,068	$ 28,384	$ 26,831
Payroll per factory employee	28,385	29,770	27,171	24,842
Payroll per administrative employee	37,084	44,219	35,410	44,022
Payroll per sales employee	56,373	58,324	47,651	53,147
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES				
Payroll per employee - All employees	$ 25,048	$ 26,039	$ 21,819	$ 19,781
Payroll per factory employee	22,988	24,069	21,571	19,314
Payroll per administrative employee	19,437	21,640	18,448	20,280
Payroll per sales employee	48,241	49,905	34,618	32,437
EXECUTIVE PAYROLL				
Payroll per executive - All executives	63,389	70,530	53,814	72,463
Payroll per factory executive	42,512	49,659	36,606	44,231
Payroll per administrative executive	84,976	96,293	74,247	104,976
Payroll per sales executive	73,805	71,795	65,597	97,027
RECEIVABLES				
Collection period	66.2	63.5	58.3	55.0
PROFIT				
Gross profit percentage of sales	21.29%	24.49%	17.10%	22.23%
Average gross profit per factory employee	$ 25,596	$ 31,055	$ 15,736	$ 20,647
Income before taxes percentage of sales	5.47%	11.55%	7.17%	12.96%
Average income before taxes per employee	$ 5,369	$ 11,899	$ 5,584	$ 10,297

** Sample insufficient for Profit Leaders.
**** All firms are Profit Leaders.

NEWSPAPER**	FINANCIAL	DIRECT MAIL-CATALOG**	BOOK		DIRECTORY**	PACKAGING**
ALL FIRMS	ALL FIRMS****	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS
$ 86,659	$ 42,250	$ 84,490	$ 38,231	$ 43,528	$ 118,409	$ 27,461
102,204	51,157	122,512	49,719	54,858	149,264	33,830
23,792	18,015	20,595	20,899	25,459	25,929	18,098
-67,771	24,324	70,403	-35,794	39,533	102,779	20,488
64.81%	164.80%	56.20%	140.18%	154.12%	59.82%	292.42%
88.45%	84.64%	75.47%	82.15%	83.57%	83.74%	83.72%
8.76	6.92	5.16	8.95	6.87	10.98	6.05
2.79	8.44	19.37	8.90	9.56	5.28	10.23
$ 145,422	$ 82,038	$ 163,515	$ 66,450	$ 71,170	$ 111,594	$ 60,817
164,469	96,763	223,731	80,589	84,483	136,127	72,432
70,799	79,459	118,854	50,310	53,614	60,556	43,025
1,685,786	1,417,216	3,574,050	943,947	1,274,174	1,042,379	1,050,958
155,019	86,631	176,086	72,525	77,435	116,863	64,188
172,120	99,414	239,768	86,785	90,438	137,180	75,092
73,523	81,622	127,373	54,132	57,387	61,022	44,784
0	0	1,222,361	1,641,352	1,819,014	1,354,356	1,242,469
354%	317%	373%	331%	317%	449%	315%
22.49%	46.00%	29.60%	39.57%	39.57%	24.06%	37.06%
48.97	133.23	72.02	81.91	86.28	51.73	112.68
$ 32,887	$ 38,032	$ 47,724	$ 25,819	$ 27,143	$ 25,831	$ 22,129
32,559	31,645	46,905	23,547	24,683	23,115	20,223
29,649	53,859	44,411	35,007	37,428	38,521	28,496
53,882	92,553	56,453	46,451	52,939	37,732	32,877
$ 26,455	$ 26,309	$ 39,037	$ 19,467	$ 20,714	$ 19,168	$ 16,729
26,752	24,350	38,909	18,333	19,474	18,540	15,515
15,255	19,431	14,448	18,705	17,567	17,548	19,108
46,047	62,303	46,770	34,995	39,856	32,445	24,568
47,872	106,692	70,220	48,162	47,749	75,405	42,337
39,763	21,499	48,138	36,523	35,886	63,769	35,452
50,037	169,218	115,341	67,046	66,879	80,203	51,504
20,269	105,034	134,042	83,127	95,058	55,993	58,704
76.3	71.2	65.0	68.7	71.1	47.8	57.5
12.46%	38.71%	20.81%	21.65%	22.56%	17.16%	19.74%
$ 21,416	$ 38,490	$ 51,943	$ 18,739	$ 20,171	$ 25,217	$ 14,588
5.23%	13.81%	7.40%	7.24%	9.79%	6.36%	5.99%
$ 7,616	$ 11,499	$ 12,048	$ 4,928	$ 6,965	$ 8,195	$ 3,865

RETURN ON INVESTMENT - PER $100 OF SALES

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT				
Current Assets:				
Cash	$ 2.26	$ 5.74	$ 3.20	$ 7.20
Receivables	17.59	15.97	15.26	14.43
Inventories	7.62	5.69	8.30	6.98
Marketable securities	1.11	3.23	1.74	3.44
Other current assets	1.22	1.01	1.75	2.90
	29.80	32.64	30.25	34.95
Plant Investment:				
Land and building	7.38	5.31	9.24	7.85
Machinery and equipment	31.28	32.16	40.31	45.11
Other fixed assets	2.48	2.18	1.48	1.58
	41.14	39.65	51.03	54.54
Non-Current Assets	2.42	3.05	2.11	1.85
TOTAL INVESTMENT	73.36	75.34	83.39	91.34
INVESTMENT TURNOVER PER $100 OF SALES	136.31%	132.73%	119.92%	109.48%
EARNINGS				
Cost of Product	$78.71	$75.51	$82.90	$77.77
Selling Expenses	8.12	6.97	4.36	3.55
Administrative Expenses	6.43	5.88	5.13	5.17
	93.26	88.36	92.39	86.49
Income Before Interest, Other Income, and Taxes	6.74	11.64	7.61	13.51
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	9.19%	15.45%	9.13%	14.79%

** Sample insufficient for Profit Leaders.
**** All firms are Profit Leaders.

NEWSPAPER**	FINANCIAL	DIRECT MAIL-CATALOG**	BOOK		DIRECTORY**	PACKAGING**
ALL FIRMS	ALL FIRMS****	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS
$ 1.44	$ 1.71	$ 0.03	$ 0.75	$ 0.61	$ 1.78	$ 1.41
20.59	18.70	17.57	18.42	19.09	12.48	15.56
6.02	7.59	9.15	8.79	8.89	7.92	15.58
0.00	0.00	0.00	2.79	3.89	0.00	0.00
0.27	4.16	0.15	0.82	0.33	0.41	0.20
28.32	32.16	26.90	31.57	32.81	22.59	32.75
6.94	6.32	5.38	13.61	15.43	10.59	6.31
31.68	15.30	26.49	26.73	27.18	49.56	20.46
0.83	2.85	0.67	0.93	1.34	1.73	1.45
39.45	24.47	32.54	41.27	43.95	61.88	28.22
6.15	5.46	1.90	2.82	3.16	21.81	0.50
73.92	62.09	61.34	75.66	79.92	106.28	61.47
135.28%	161.06%	163.03%	132.17%	125.13%	94.09%	162.68%
$87.54	$61.29	$79.19	$78.35	$77.44	$82.84	$80.26
1.41	12.22	7.68	7.32	7.85	2.94	8.40
3.76	11.10	3.56	7.34	5.85	6.67	5.73
92.71	84.61	90.43	93.01	91.14	92.45	94.39
7.29	15.39	9.57	6.99	8.86	7.55	5.61
9.86%	24.79%	15.60%	9.24%	11.09%	7.10%	9.13%

ABSOLUTE DATA

	NUMBER OF PARTICIPATING FIRMS	AVERAGE FIRM REPORTING** TOTAL ASSETS	SALES OR VALUE OF PRODUCTION	TOTAL INCOME
TOTAL - ALL FIRMS	140	$ 14,618,000	$ 25,494,000	$ 1,694,000
TOTAL - PROFIT LEADERS*	44	17,957,000	29,655,000	3,420,000
BY SIZE OF FIRM				
ALL FIRMS				
$10,000,000-$20,000,000	79	7,933,000	14,503,000	714,000
$20,000,000-$40,000,000	48	16,283,000	27,859,000	2,033,000
$40,000,000-$80,000,000	10	32,289,000	49,317,000	3,561,000
Over $160,000,000	2	122,909,000	227,611,000	15,431,000
PROFIT LEADERS				
$10,000,000-$20,000,000	19	8,208,000	13,931,000	1,501,000
$20,000,000-$40,000,000	20	16,476,000	26,508,000	3,266,000
$40,000,000-$80,000,000	3	41,531,000	51,867,000	6,512,000
BY PRODUCT SPECIALTY				
ALL FIRMS				
Commercial and Advertising	81	13,038,000	23,506,000	1,419,000
Magazine and Periodical	31	20,469,000	34,127,000	2,698,000
Newspaper	2	18,748,000	32,614,000	1,667,000
Financial****	2	11,328,000	22,169,000	2,752,000
Direct Mail - Catalog	2	17,298,000	31,839,000	2,386,000
Book	10	11,248,000	18,962,000	1,456,000
Directory	2	18,366,000	18,162,000	1,275,000
Packaging	2	5,643,000	12,587,000	745,000
PROFIT LEADERS				
Commercial and Advertising	23	13,832,000	25,502,000	3,002,000
Magazine and Periodical	11	31,215,000	47,814,000	5,538,000
Book	5	12,350,000	19,343,000	2,074,000

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.
** Unlike the ratios shown in this book, these figures are arithmetic averages. See explanatory note on page 35.
**** All firms are Profit Leaders.

HOW THE NUMBERS ARE COMPUTED

The PIA Ratios are computed by the method of relative or common size. With this method each company's dollars are converted into a percentage to the total. Then these percentages are added in total and within a given sales class. This is a very simple way of avoiding what is known as self-weighting when various magnitudes are involved. With this method each company is given equal weight regardless of their size.

The following example illustrates how this calculation process eliminates the problem of the ratios' giving inordinate weight to the results of very large firms.

Firm	Sales	Factory Payroll	% of Sales: Firm's Ratio Factory Payroll	% of Sales: PIA Ratio Factory Payroll
A	$ 200,000	$ 60,000	30.0%	
B	500,000	100,000	20.0	
C	8,000,000	975,000	12.2	
			62.2% divided by 3 = 20.7%	

HOW DO YOU COMPARE IN NORTH AMERICA?

The Individual Company Computer Printout is a fundamental part of the PIA Financial Ratio Study. It is a detailed, well-organized presentation of key financial information that encompasses every facet of your printing business. It contains data specific to your company that are not available in the published volumes of the study. The Individual Company Computer Printout, designed with you, the busy printing executive in mind, is a concise presentation of:

- Your firm's operating statement;
- Your firm's balance sheet;
- Supporting schedules for your firm's income statement and balance sheet; and
- Your firm's Return on Investment.

In addition:

- Your firm's financial data are expressed in dollars and ratio form;
- The ratios of your printing firm are compared side by side with the ratios of all other ratio study participants and "profit leaders," based on both sales revenue and value added. Ratios of survey participants and "profit leaders" that produce the same products and use the same manufacturing process are also presented for your immediate comparison;
- Using the same presentation format described in the previous item, the ratios of your printing firm are also compared side by side with the ratios of all survey participants and "profit leaders" that are approximately the same size in terms of sales; and
- Finally, "significant facts" statistics are presented to help you gauge where your company stands relative to industry "profit leaders" and the U.S. and Canadian printing industries as a whole.

Because of the detail that the Individual Company Computer Printout contains, it can quickly help you identify those areas and operations of your business that are running efficiently and those that are not. You'll be able to ascertain the seriousness of problems and how much corrective action is necessary. The bottom line is that you can purchase all of these data for a small fraction of what you would have to pay if you generated a similar analysis from scratch.

If you are part of the 1984 database, and have not already done so, I urge you to make the investment. If you are not part of the database, please consider participating in the 1985 PIA Financial Ratio Study and availing yourself of this particular service.

William A. Rose, II
Director
PIA Financial Services